NATIONAL SECURITY AGENCY
CENTRAL SECURITY SERVICE
FORT GEORGE G. MEADE, MARYLAND 20755-6000

28 February 2006

MEMORANDUM FOR THE CHAIRMAN, INTELLIGENCE OVERSIGHT BOARD

THRU: Assistant to the Secretary of Defense (Intelligence Oversight)

SUBJECT: (U//~~FOUO~~) Report to the Intelligence Oversight Board on NSA Activities - INFORMATION MEMORANDUM

(U//~~FOUO~~) Except as previously reported to you or the President, or otherwise stated in the enclosure, we have no reason to believe that any intelligence activities of the National Security Agency during the quarter ending 31 December 2005 were unlawful or contrary to Executive Order or Presidential Directive, and thus required to be reported pursuant to Section 1.7.(d) of Executive Order 12333.

(U//~~FOUO~~) The Inspector General and the General Counsel continue to exercise oversight of Agency activities by means of inspections, surveys, training, review of directives and guidelines, and advice and counsel. These activities and other data requested by the Board or members of the staff of the Assistant to the Secretary of Defense (Intelligence Oversight) are described in the enclosure.

JOEL F. BRENNER
Inspector General

ROBERT L. DEITZ
General Counsel

(U//~~FOUO~~) I concur in the report of the Inspector General and the General Counsel and hereby make it our combined report.

KEITH B. ALEXANDER
Lieutenant General, U. S. Army
Director, NSA/Chief, CSS

Encl:
Quarterly Report

Approved for Release by NSA on 12-19-2014, FOIA Case # 70809 (Litigation)

This Memorandum is Unclassified Upon Removal of Enclosure

DERIVED FROM: NSA/CSSPM 1-52
DATED: 23NOV04
DECLASSIFY ON: 20291123

1. (U) INSPECTOR GENERAL ACTIVITIES

a. ~~(C//SI)~~ During this quarter, the Office of Inspector General (OIG) reviewed various intelligence activities of the National Security Agency/Central Security Service (NSA/CSS) to determine whether they were conducted in accordance with applicable statutes, Executive Orders (E.O.s), Attorney General (AG) procedures, and Department of Defense (DoD) and internal directives. With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities.

b. (U//~~FOUO~~) Resulting from issues raised in intelligence oversight reporting, the OIG has begun a special study of the access to Signals Intelligence (SIGINT) by [redacted] The objectives of the special study include determining whether [redacted] that receive SIGINT have the proper authorization to receive SIGINT, have been provided guidance on how to properly handle and use SIGINT, and have adhered to the authority of E.O. 12333 and related directives regarding awareness, protections, and reporting of U.S. person information. The study results will be reported upon completion.

(b)(3)-P.L. 86-36

c. (U//~~FOUO~~) As research has begun on the aforementioned special study, initial data collected on one [redacted] points to possible E.O. 12333 infractions in areas unrelated to NSA/CSS. We are reviewing that data for referral to the appropriate agency.

(b)(3)-P.L. 86-36

d. (U//~~FOUO~~) First reported in the fourth quarter fiscal year 2005 (report dated 14 December 2005), the NSA/CSS OIG reviewed an incident that occurred during an operations readiness assessment of the [redacted] We found that the NSA [redacted] violated National Security Directive [redacted] by erroneously [redacted] exercise to assess the vulnerability of [redacted] computer networks. This error occurred because of an inconsistency in the target validation process. Agency management has revised the [redacted] to reduce the risk of future violations.

(b)(3)-P.L. 86-36

e. (U//~~FOUO~~) Along with inspectors from the [redacted] the NSA OIG completed a joint inspection of the [redacted] Our most serious intelligence oversight finding was that

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the site violated intelligence oversight procedures. [redacted] without submitting a test plan for review and approval by the NSA/CSS Office of General Counsel (OGC). Other weaknesses were found in training and program management. NSA/CSS OIG will monitor the deficiencies through correction. (b)(3)-P.L. 86-36

f. (U//~~FOUO~~) As reported in the third quarter fiscal year 2005 (report dated 17 may 2005), inspectors from the [redacted] the NSA OIG conducted a joint inspection of the [redacted] Action has been completed to rectify the weakness in its training program, which has been amended to provide intelligence oversight training for personnel who did not have access to the Sensitive Compartmented Information Facility.

2. (U) GENERAL COUNSEL ACTIVITIES

~~(C//SI)~~ The NSA/CSS OGC reviewed various intelligence activities of the NSA/CSS to determine whether they were conducted in accordance with applicable statutes, EOs, AG procedures, and DoD and internal directives. The OGC advised Agency elements on a number of questions, including the collection and dissemination of communications of, or concerning U.S. persons; the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment, and the applicability of the Foreign Intelligence Surveillance Act (FISA). With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities.

3. (U) SIGINT ACTIVITIES

a. ~~(S//SI)~~ Collection Against U.S. Persons

(b)(1)
(b)(3)-P.L. 86-36

(1) (U) Intentional

a. ~~(TS//SI)~~ During this quarter, the Director, NSA/Chief CSS (DIRNSA/CHCSS) granted approval for consensual collection against [redacted] U.S. persons. DIRNSA/CHCSS also approved non-consensual collection of [redacted] U.S. companies openly owned and controlled by a foreign government, [redacted] U.S. Government employees held captive by foreign [redacted] U.S. citizens taken hostage [redacted] DIRNSA/CHCSS-approved consensual collection against [redacted] U.S. persons was routinely terminated this quarter.

(b)(1)
(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

b. ~~(S//SI)~~ The AG granted authority to collect the communications of [redacted] U.S. persons overseas during this quarter.

(b)(1)
(b)(3)-P.L. 86-36

(2) (U) Unintentional

a. ~~(S//SI//NF)~~ This quarter, there were [redacted] instances in which analysts inadvertently collected communications to, from, or about U. S. persons while pursuing foreign intelligence tasking. All of the incidents were reported to responsible oversight officials, and corrective actions were taken.

[1] ~~(TS//SI//NF)~~ One of the [redacted] incidents was compounded by inappropriate action by a [redacted] analyst. Upon learning that the inadvertent collection was of U.S. person [redacted] Upon learning of the incident management instructed the analyst to immediately delete the intercept and was provided remedial training.

[2] ~~(C//SI)~~ [redacted] an analyst submitted a raw traffic database query for an email address but inadvertently left off part of the address. The omission caused a flood of over [redacted] unwanted results. Realizing the mistake, the analyst immediately deleted the results without viewing them.

(b)(1)
(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

(b)(1)
(b)(3)-P.L. 86-36

b. (U//~~FOUO~~) Dissemination of U.S. Identities

(1) (U) Intentional

(b)(1)
(b)(3)-P.L. 86-36

(a) ~~(S//SI)~~ [redacted] during this quarter, a [redacted] passed raw traffic containing threat information to [redacted] A [redacted] The [redacted] but the names of the U.S. persons were included to facilitate notification by the [redacted]

(b)(1)
(b)(3)-P.L. 86-36

(b) ~~(S//SI)~~ In accordance with section 7 of United States Signals Intelligence Directive (USSID) SP0018, U.S. identities were disseminated [redacted] times during this quarter. The following table shows the justification and the number of instances of dissemination. In the "Unmasked by Analyst" column, the U.S. identity was revealed in a serialized end product; in the "Unmasked at User Request" column, a U.S. identity was released to a user at the user's request. One of the disseminations occurred in a [redacted] The [redacted] shared the report with the [redacted]

(b)(1)
(b)(3)-P.L. 86-36
(b)(3)-50 USC 3024(i)

JUSTIFICATION	Unmasked by Analyst	Unmasked at User Request	TOTAL
7.2.c Necessary			
7.2.c.1 Foreign Official			
7.2.c.3 International Narcotics			
7.2.c.4 Criminal Activity			
7.2.c.7 U.S. Government Official			
TOTAL			

(b)(1)
(b)(3)-P.L. 86-36
(b)(3)-50 USC 3024(i)

(2) (U) Unintentional

(b)(1)
(b)(3)-P.L. 86-36

a. ~~(S//SI)~~ During this quarter, the Signals Intelligence Directorate (SID) cancelled [ ] SIGINT products because they contained the identities of U.S. persons, organizations, or entities. [ ] products were reissued after minimization.

b. ~~(TS//SI)~~ [ ] released [ ] reports containing the identities of U.S. persons or based on the communications of persons later identified as U.S. persons. In all instances, [ ] cancelled the reports, which were either not reissued or were reissued with the proper minimization.

c. ~~(TS//SI//NF)~~ An incident involving the possible dissemination of U.S. [ ] [ ] occurred [ ] and was reported to the OIG by NSA's [ ] The data was allegedly contained in a graphic chart that may have been shared during briefings in and outside of NSA. An OIG inquiry has been tasked to determine the facts of the incident, which will be reported upon completion.

(b)(3)-P.L. 86-36

(3) (U) Raw Traffic Dissemination — SIGINT Production Chain

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(b)(3)-P.L. 86-36

~~(S//SI)~~ [ ]

[ ] The SID ensures that the personnel are trained by the OGC on NSA/CSS's legal restrictions and on proper handling and dissemination of SIGINT data [ ]

(b)(3)-P.L. 86-36

SID during this quarter included representatives of the [redacted]

[redacted]

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

4. (U) Other Activities

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(b)(3)-P.L. 86-36

a. (U//~~FOUO~~) FISA Incidents

(1) ~~(TS//SI//NF)~~ Human error allowed collection to continue four days past the expiration of a FISA authorization [redacted] Prior to the expiration, an NSA analyst requested that the [redacted] be placed in an inactive collection status until the authorization was renewed. [redacted]

[redacted]

[redacted] There were no reports issued on the collection, and the intercept was destroyed.

(b)(1)
(b)(3)-P.L. 86-36

(2) ~~(TS//SI//NF)~~ Prompted by an increase in activity from a target that has been on collection since [redacted] an NSA analyst researched the increase and learned that [redacted] were outside of the scope authorized by FISA Court. [redacted] the [redacted]

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(b)(3)-P.L. 86-36

[redacted] Although there was no reporting resulting from the collection, the data was not removed from the databases and until [redacted] As a result of this incident, [redacted]

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(b)(3)-P.L. 86-36

[redacted]

(3) ~~(TS//SI//NF)~~ During a baseline collection review of a FISA-authorized target, we discovered [redacted] instances of unauthorized targeting of [redacted] that were believed to be associated with the target.

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

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(b)(3)-P.L. 86-36

(b)(1)
(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

(b)(1)
(b)(3)-P.L. 86-36

(a) ~~(TS//SI//NF)~~ [redacted] while conducting a baseline review of a target because of increased activity, an NSA analyst noticed that [redacted] were unfamiliar. Extensive research led analysts to conclude that the target [redacted] Collection was terminated on [redacted] During the period of targeting from [redacted] there were [redacted] instances of collection, all of which have been destroyed. The collection did not result in reporting.

(b) ~~(TS//SI//NF)~~ As a result of reviewing a target [redacted] an NSA analyst learned that a person [redacted] Further research associated the user with [redacted] outside of the Foreign Intelligence Surveillance Court (FISC) approved target. The [redacted] and all intercept was deleted. There were no reports issued as of result of the collection.

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(b)(3)-P.L. 86-36

(c) ~~(TS//SI//NF)~~ [redacted] discovered that [redacted] that was thought to be associated with a [redacted] may have [redacted] Targeting was discontinued while an NSA analyst researched further. [redacted] an NSA analyst confirmed that the targeted [redacted] was actually [redacted] The unauthorized collection was deleted, and no reports were issued as a result from the invalid collection.

(d) ~~(TS//SI//NF)~~ A second instance of a [redacted] was also discovered on [redacted]

[redacted]

6-36
798
3024(i)

[redacted] it was determined on [redacted] that the user was [redacted] On that date, targeting ceased and unauthorized collection was destroyed. No reports were generated as a result of the unauthorized collection.

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(4) ~~(TS//SI//NF)~~ There were [redacted] instances of unintentional collection of U. S. persons during this quarter, [redacted] There were no reports issued as a result of the collection.

(5) ~~(TS//SI//NF)~~ On [redacted] the [redacted] telephone numbers were authorized for tasking under a valid FISA Court Order. Although approved for collection, the telephone numbers were not tasked until [redacted], when the new order,

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(b)(3)-P.L. 86-36
(b)(3)-18 USC 798
(b)(3)-50 USC 3024(i)

which was to have the [redacted] telephone numbers included, was signed. [redacted] tasked the [redacted] telephone numbers without knowing that the numbers were unintentionally omitted from the new court order application. It wasn't until [redacted] that the [redacted] learned that new court order did not contain the [redacted] numbers. The resulting intercept was immediately destroyed, and no reports were issued based on that unauthorized intercept. A review of the procedures for implementing a signed court order was conducted to isolate any process weakness and to reduce the risk of future incidents.

b. (U//~~FOUO~~) Unauthorized use of a SIGINT Database

~~(S)~~ NSA is working with the [redacted] to identify the facts surrounding a reported misuse of a SIGINT Database by an [redacted] employee. Allegedly, the employee [redacted] The results of the inquiry will be reported upon completion.

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(b)(3)-P.L. 86-36

c. (U//~~FOUO~~) Misuse of the U.S. SIGINT System

~~(TS//SI//NF)~~ As a result of receiving advanced training on USSID SP0018 and associated SIGINT directives, an NSA intern reported that a co-worker had misused the SIGINT System to target his foreign girlfriend [redacted] The OIG is investigating the alleged violation and will report the outcome of the inquiry.

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(b)(3)-P.L. 86-36

d. (U) Assistance to Law Enforcement

~~(S//SI)~~ During this quarter, the SID responded to [redacted] for linguistic support and [redacted] for administrative assistance from the [redacted] respectively.

e. (U) Working Aids

(1) (U//~~FOUO~~) The SID Office of Oversight and Compliance maintains "U.S. Identities in SIGINT" and a matrix of dissemination authorities on its web page for use by the NSA/CSS Enterprise. The E.O., NSA/CSS Policy Number 1-23, DoD Regulation 5240.1-R, and USSID SP0018 are also available on-line.

(2) (U//~~FOUO~~) The NSA/CSS NTOC created and implemented Standard Operating Procedures (SOP) governing SIGINT and Information Assurance activities for the NTOC [redacted] The SOP contains handling and reporting procedures governing the NTOC activities that affect U. S. Persons.

(b)(3)-P.L. 86-36

~~TOP SECRET//COMINT//NOFORN//20291123~~

SECURITY CLASSIFICATION

NSA STAFF PROCESSING FORM

TO	EXREG CONTROL NUMBER	KCC CONTROL NUMBER
DIRECTOR	129769	IG-10600-06

THRU: D/DIR ~~D SECRETARIAT~~

ACTION: [ ] APPROVAL [X] SIGNATURE [ ] INFORMATION

EXREG SUSPENSE:

KCC SUSPENSE:

ELEMENT SUSPENSE:

SUBJECT: (U//~~FOUO~~) Quarterly Report to the Intelligence Oversight Board on NSA Activities—First Quarter FY06

DISTRIBUTION

SUMMARY

PURPOSE: (U//~~FOUO~~) To forward to the Intelligence Oversight Board (IOB) of the President's Foreign Intelligence Advisory Board, via the Assistant to the Secretary of Defense for Intelligence Oversight (ATSD(IO)), NSA's quarterly report on its intelligence activities.

BACKGROUND: (U//~~FOUO~~) Executive Order 12333 and Executive Order 12863 require Intelligence Community agency heads and Intelligence Community General Counsels and Inspectors General, respectively, to report to the IOB on a quarterly basis concerning intelligence activities that they have reason to believe may be unlawful or contrary to Executive Order or Presidential Directive. The enclosed memorandum covers all reportable activities known to the Inspector General and General Counsel. Per PIOB letter of 6 August 1982, Agency heads are responsible for reporting separately any additional reportable activities known to them, unless the President has specifically instructed that the Board is not to be informed. The Director's signature signifies that no other activities that require reporting are known to him.

RECOMMENDATION: (U) Director sign the enclosed memorandum.

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(b)(3)-P.L. 86-36

COORDINATION/APPROVAL

OFFICE	NAME AND DATE	SECURE PHONE	OFFICE	NAME AND DATE	SECURE PHONE
GC	Robert L. Deitz 2/12/06	5548s	DO5	2/24	3201
AGC(O)		3121s			
IG	Joel F. Brenner	3544s			
D/IG		3544s			
AIG(IO)	2/13/2006	3544s			

ORIGINATOR	ORG.	PHONE (Secure)	DATE PREPARED
	D11	963-2984	10 February 2006

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